

New AFV Legislation in the Lone Star State



*Note: Legislative information will be updated
during Conference presentation*

7th National Clean Cities Conference

May 16, 2001

Elizabeth Munger

Gladstein & Associates

512.447.3595 elizabeth@gladstein.org

History of AFV Legislation in Texas



1989- Texas Alternative Fuels Program:

Purchase, lease or conversion of AFVs by state agencies, school districts, and local transit authorities. Use by local governments and private fleets in non-attainment areas was also required.

History of AFV Legislation in Texas



Texas Alternative Fuels legislation preceded the federal Clean Air Act Amendments and the Energy Policy Act mandating use of alternative fuels by specified fleets.

History of AFV Legislation in Texas



1993 - 1995 - 1997:

Due to difficulties with early vehicle and fueling technologies, major changes were made during each session to the Alternative Fuels Program.

Legislative Changes



The requirement for school and transit fleets was redefined to include any vehicle/fuel combination certified to the Federal low emission vehicle (LEV) standard.

The program was now emissions driven, not fuel specific; for example, reformulated gas could be used so long as it met the LEV standard.

Legislative Changes



Transit authorities, local governments, and private fleets in the non-attainment areas were required to purchase and maintain certain percentages of LEV-certified, rather than alternative fuel vehicles. There was no change in the alternative fuel requirement for state fleets and fuel providers.

Subsequent Legislation



Various bills in support of AFV legislation were proposed in subsequent legislative sessions - none passed.

2001 Legislative Session



- **AF vehicle and equipment technology is proven and available through OEMs**
- **Rapid population growth**
- **Large part of the emissions inventory is from mobile, on-road sources**

Senate Bill 5 (TERP)



Texas Emissions Reduction Plan

- **Bring our nonattainment areas into attainment**
- **Avoid construction and landscape shift required in the State Implementation Plans (SIPs)**

TERP Authorizes Grants and Other Funding for:



- **Diesel emissions reduction incentive program**
- **Low-emissions and alternative fuel vehicle purchase program**
- Programs for high efficiency heating/cooling appliances
- Noncommercial lawn and garden equipment
- Technology R& D program

Program Funding



- Fees and surcharges will finance the Program
- Largest fees assessed in the nonattainment and near- nonattainment areas
- Cost per person
 - \$48 over 6 years in the near nonattainment & nonattainment areas
 - \$8 over 6 years in attainment areas

House Bill 788



- Grants producer's credits of 20 cents for each gallon of fuel ethanol or biodiesel produced in each registered plant
- Sunsets on the 10th anniversary of the date production from the plant begins

House Bill 1932



- Gives a purchaser of a vehicle/equipment sales tax relief if it operates strictly on an alternative to gasoline or diesel or in conjunction with gasoline and diesel and meets Ultra-Low Emission standards.
- Exempts construction vehicles operating on alternatives to conventional fuel or in combination with conventional fuel, but not vehicles using an additive or mixture to conventional fuel

House Bill 3284



- **Makes the TX Clean Fleet Program more stringent and puts it into effect in all counties east of IH 35**
- **Includes mass transits, local governments (including school districts), private and state fleets that own, operate, or lease a fleet of 15 vehicles (state only) or 25 vehicles**
- **Expands the vehicles covered by increasing the GVWR from 8500 lbs. to 10,000 lbs**

- **Changes current EPA LEV standard to the new Bin 3 standard**
- **Fleets must meet an average of the NOx standards of Bin 3 according to the following:**

25% after 9/1/03

50% after 9/1/04

65% after 9/1/05

80% after 9/1/06

90% after 9/1/07

100% after 9/1/08





**Look for updates to the Texas
legislation during the
Conference presentation.**